

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**November 2001**

	W.R. Grace & Co. - Conn	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 55,061,506	\$ -	\$ 42,295	\$ -	\$ (1,599,153)	\$ -
Notes and accounts receivable, net	131,577,205	-	116,448	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	263,683,127	(387,992,177)	2,812,333	12,985,223	(27,788,484)	(9,239,756)
Inventories	97,285,477	-	-	-	-	-
Deferred income taxes	40,489,409	-	4,008,553	-	-	-
Asbestos-related insurance expected to be realized within one year	6,197,793	-	-	-	-	-
Other current assets	52,096,046	-	-	-	-	-
<b>Total Current Assets</b>	<b>646,390,564</b>	<b>(387,992,177)</b>	<b>6,979,629</b>	<b>12,985,223</b>	<b>(29,387,636)</b>	<b>(9,239,756)</b>
Properties and equipment, net	379,571,298	-	507,866	-	-	-
Goodwill, net	13,838,695	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	75,971,812	-	-	-	-	-
Deferred income taxes	636,101,870	-	45,020,666	-	-	-
Asbestos-related insurance expected to be realized after one year	287,228,827	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(979,804,843)	750,790,025	118,118,909	4,342,209	187,230,974	-
Investment in filing and non-filing entities	773,152,181	241,512,111	-	-	-	-
Other assets	314,621,648	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,147,072,051</b>	<b>\$ 604,309,959</b>	<b>\$ 170,627,070</b>	<b>\$ 17,327,432</b>	<b>\$ 157,843,338</b>	<b>\$ (9,239,756)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ (79,372)	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	25,869,749	-	20,296	-	-	-
Income taxes payable	268	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	(0)	-	-	-	-	-
Other current liabilities	61,042,637	-	25,768	-	(0)	12,046
<b>Total Current Liabilities</b>	<b>86,833,282</b>	<b>-</b>	<b>46,064</b>	<b>-</b>	<b>(0)</b>	<b>12,046</b>
Long-term debt - DIP facility	29,561,866	-	-	-	-	-
Deferred income taxes	213,323,123	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	(0)	-	-	-	-	-
Other liabilities	25,526,723	0	0	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>355,244,994</b>	<b>0</b>	<b>46,064</b>	<b>-</b>	<b>(0)</b>	<b>12,046</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	523,243,401	-	-	-	-	-
Accounts payable	31,477,288	-	643,700	-	-	-
Income taxes payable	183,077,313	11,897,224	610,439	(1,374)	5,321,331	(218,713)
Asbestos-related liability	997,722,452	-	-	-	-	-
Other liabilities	385,863,254	188,091	139,215,167	-	30,671,114	-
<b>Total Liabilities Subject to Compromise</b>	<b>2,121,383,708</b>	<b>12,085,315</b>	<b>140,469,306</b>	<b>(1,374)</b>	<b>35,992,445</b>	<b>(218,713)</b>
<b>Total Liabilities</b>	<b>2,476,628,701</b>	<b>12,085,315</b>	<b>140,515,370</b>	<b>(1,374)</b>	<b>35,992,445</b>	<b>(206,667)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	84,469,000	768,991	12,223	1,000	-	1,000
Paid in capital	142,339,878	429,322,837	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(486,189,979)	298,559,417	20,375,028	(16,724,661)	65,839,316	(9,034,089)
Treasury stock, at cost	-	(136,426,701)	-	-	-	-
Consolidation of Investments	(11,620,367)	-	-	-	-	-
Cumulative Translation Adjustments	(58,555,182)	-	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(329,556,651)</b>	<b>592,224,644</b>	<b>30,111,700</b>	<b>17,328,806</b>	<b>121,850,893</b>	<b>(9,033,089)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 2,147,072,051</b>	<b>\$ 604,309,959</b>	<b>\$ 170,627,070</b>	<b>\$ 17,327,432</b>	<b>\$ 157,843,338</b>	<b>\$ (9,239,756)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**November 2001**

	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewile Land Corporation
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 3,213,129	\$ -
Notes and accounts receivable, net	-	71,928	-	-	2,389,248	-
Receivables from/(payables to) filing and non-filing entities, net	(404,117,336)	5,761,010	140,487,055	(61,266,371)	(1,952,337)	(4,893,237)
Inventories	-	(0)	-	-	120,626	-
Deferred income taxes	-	64,489	-	-	17,655	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	2,219	-
<b>Total Current Assets</b>	(404,117,336)	5,897,426	140,487,055	(61,266,371)	3,790,541	(4,893,237)
Properties and equipment, net	-	-	-	-	814,936	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	38,161	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	440,309,353	(3,420,261)	-	(75,621,679)	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	(16,090)	-	-	192,567	874,424
<b>Total Assets</b>	<b>\$ 36,192,018</b>	<b>\$ 2,499,237</b>	<b>\$ 140,487,055</b>	<b>\$ (78,218,585)</b>	<b>\$ 4,798,044</b>	<b>\$ (4,018,813)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ 11,279	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	19,000	-	-	7,553	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	337,762	(5,613)	-	84,186	-
<b>Total Current Liabilities</b>	-	368,042	(5,613)	-	91,740	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	0	-	-	141,872	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	368,042	(5,613)	-	233,612	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	133,532	-
Income taxes payable	8,199,213	(607,376)	(41,901)	(2,678,545)	337,361	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	184,253	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	8,199,213	(423,123)	(41,901)	(2,678,545)	470,893	-
<b>Total Liabilities</b>	8,199,213	(55,081)	(47,514)	(2,678,545)	704,505	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	27,697,489	-	274,606
(Accumulated deficit)/Retained earnings	57,259,102	(418,181)	115,175,576	(29,860,422)	4,092,539	(4,293,619)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	2,971,499	-	(73,378,107)	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	27,992,805	2,554,317	140,534,569	(75,540,040)	4,093,539	(4,018,813)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 36,192,018</b>	<b>\$ 2,499,237</b>	<b>\$ 140,487,055</b>	<b>\$ (78,218,585)</b>	<b>\$ 4,798,044</b>	<b>\$ (4,018,813)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities****Combining Balance Sheet****MOR - 3****November 2001**

	Alewiffe Boston Ltd.	Five Alewiffe Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,370)	-	(57,817,172)	-	-	(130)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(2,143,370)	-	(57,817,172)	-	-	(130)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (2,143,370)</b>	<b>\$ -</b>	<b>\$ (23,763,706)</b>	<b>\$ 54,500,000</b>	<b>\$ 54,500,000</b>	<b>\$ 56,011,447</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	(130)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	-	-	-	-	(130)
<b>Total Liabilities</b>	-	-	-	-	-	(130)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,511,577
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	56,011,577
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ (2,143,370)</b>	<b>\$ -</b>	<b>\$ (23,763,706)</b>	<b>\$ 54,500,000</b>	<b>\$ 54,500,000</b>	<b>\$ 56,011,447</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities****Combining Balance Sheet****MOR - 3****November 2001**

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 36,936	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	(26,718,257)	57,347,191	(7,288,586)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	6,059	-	-	-	-	-
<b>Total Current Assets</b>	<b>42,995</b>	<b>(26,718,257)</b>	<b>57,347,191</b>	<b>(7,288,586)</b>	<b>-</b>	<b>-</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	3,982,166	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 4,025,161</b>	<b>\$ (26,718,257)</b>	<b>\$ 57,347,191</b>	<b>\$ (7,288,586)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	1,161,843	5,000	-	(4,990)	-	-
<b>Total Current Liabilities</b>	<b>1,161,843</b>	<b>5,000</b>	<b>-</b>	<b>(4,990)</b>	<b>-</b>	<b>-</b>
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>1,161,843</b>	<b>5,000</b>	<b>-</b>	<b>(4,990)</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(104,430)	10,346,794	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>-</b>	<b>(104,430)</b>	<b>10,346,794</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>1,161,843</b>	<b>(99,430)</b>	<b>10,346,794</b>	<b>(4,990)</b>	<b>-</b>	<b>-</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	2,852,045	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	11,273	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	(99,212)	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>2,863,318</b>	<b>(26,618,827)</b>	<b>47,000,396</b>	<b>(7,283,596)</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 4,025,161</b>	<b>\$ (26,718,257)</b>	<b>\$ 57,347,191</b>	<b>\$ (7,288,586)</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**November 2001**

	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,394	(102,989)	(1,118,993)	10,284,534	740	(2,417,464)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>5,824,394</b>	<b>(101,989)</b>	<b>(1,118,993)</b>	<b>10,284,534</b>	<b>740</b>	<b>(2,417,464)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 5,824,394</b>	<b>\$ (7,966)</b>	<b>\$ (1,118,993)</b>	<b>\$ 10,284,534</b>	<b>\$ 740</b>	<b>\$ (2,417,464)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
<b>Total Current Liabilities</b>	-	-	-	3	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	3	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	(150)	(150)	(200)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	-	-	(150)	(150)	(200)
<b>Total Liabilities</b>	-	-	-	(147)	(150)	(200)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(9,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>5,824,394</b>	<b>(7,966)</b>	<b>(1,118,993)</b>	<b>10,284,682</b>	<b>890</b>	<b>(2,417,264)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 5,824,394</b>	<b>\$ (7,966)</b>	<b>\$ (1,118,993)</b>	<b>\$ 10,284,534</b>	<b>\$ 740</b>	<b>\$ (2,417,464)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities****Combining Balance Sheet****MOR - 3****November 2001**

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,274)	(3,350,524)	(2,509,739)	950	(1,230,598)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>(26,312,455)</b>	<b>(5,132,274)</b>	<b>(3,350,524)</b>	<b>(2,509,739)</b>	<b>950</b>	<b>(1,230,598)</b>
Properties and equipment, net	-	-	-	-	-	1,184,871
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,274)</b>	<b>\$ (3,350,524)</b>	<b>\$ (2,509,739)</b>	<b>\$ 950</b>	<b>\$ (45,727)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(159)	-	(100)	-	(15)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>-</b>	<b>(159)</b>	<b>-</b>	<b>(100)</b>	<b>-</b>	<b>(15)</b>
<b>Total Liabilities</b>	<b>-</b>	<b>(159)</b>	<b>-</b>	<b>(100)</b>	<b>-</b>	<b>(15)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(45,812)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(26,312,455)</b>	<b>(5,132,115)</b>	<b>(3,350,524)</b>	<b>(2,509,639)</b>	<b>950</b>	<b>(45,712)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,274)</b>	<b>\$ (3,350,524)</b>	<b>\$ (2,509,739)</b>	<b>\$ 950</b>	<b>\$ (45,727)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**November 2001**

	W.R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,837	25,045	(72,951)	(12,559,268)	174,205	(19,464,242)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>36,708,837</b>	<b>25,045</b>	<b>(72,951)</b>	<b>(12,559,268)</b>	<b>174,205</b>	<b>(19,463,742)</b>
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
<b>Total Assets</b>	<b>\$ 42,993,643</b>	<b>\$ 25,045</b>	<b>\$ (72,951)</b>	<b>\$ (12,559,268)</b>	<b>\$ 612,650</b>	<b>\$ (19,459,676)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>4,066</b>
Long-term debt - DIP facility	-	-	-	-	438,134	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>438,333</b>	<b>4,066</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(299)	-	-	(15)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(299)</b>	<b>-</b>	<b>-</b>	<b>(15)</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>(299)</b>	<b>-</b>	<b>-</b>	<b>(15)</b>	<b>438,333</b>	<b>4,066</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	25,045	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>42,993,942</b>	<b>25,045</b>	<b>(72,951)</b>	<b>(12,559,253)</b>	<b>174,317</b>	<b>(19,463,742)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 42,993,643</b>	<b>\$ 25,045</b>	<b>\$ (72,951)</b>	<b>\$ (12,559,268)</b>	<b>\$ 612,650</b>	<b>\$ (19,459,676)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities****Combining Balance Sheet****MOR - 3****November 2001**

	Creative Food N Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,479,958	6,345,636	810,500	(59,581,272)	(25)	(86,611)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>23,479,958</b>	<b>6,345,636</b>	<b>810,500</b>	<b>(59,581,272)</b>	<b>(25)</b>	<b>(86,611)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 23,479,958</b>	<b>\$ 6,345,636</b>	<b>\$ 810,500</b>	<b>\$ (59,581,272)</b>	<b>\$ (25)</b>	<b>\$ (86,611)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(190)	(25)	(100)	(40)	(25)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(190)</b>	<b>(25)</b>	<b>(100)</b>	<b>(40)</b>	<b>(25)</b>	<b>-</b>
<b>Total Liabilities</b>	<b>(190)</b>	<b>(25)</b>	<b>(100)</b>	<b>(40)</b>	<b>(25)</b>	<b>-</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>23,480,148</b>	<b>6,345,661</b>	<b>810,600</b>	<b>(59,581,232)</b>	<b>-</b>	<b>(86,611)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 23,479,958</b>	<b>\$ 6,345,636</b>	<b>\$ 810,500</b>	<b>\$ (59,581,272)</b>	<b>\$ (25)</b>	<b>\$ (86,611)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.



**W.R. Grace & Co. - Chapter 11 Filing Entities****Combining Balance Sheet****MOR - 3****November 2001**

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,818	4,384,412	(15,750,664)	5,297,099	875,569	(5,054)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	352,712,818	4,384,412	(15,750,664)	5,297,099	875,569	(5,054)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 504,081,905</b>	<b>\$ (9,751,313)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,297,099</b>	<b>\$ 875,569</b>	<b>\$ (5,054)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	(5,310)	-	-	-	-
<b>Total Current Liabilities</b>	-	(5,310)	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	(5,310)	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	(100)	(100)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	-	-	(100)	(100)	-
<b>Total Liabilities</b>	-	(5,310)	-	(100)	(100)	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(5,054)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	(5,054)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 504,081,905</b>	<b>\$ (9,751,313)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,297,099</b>	<b>\$ 875,569</b>	<b>\$ (5,054)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities****Combining Balance Sheet****MOR - 3****November 2001**

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,340	130,478,318	145,501,916	(81,114,708)	47,407,906	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	108,340	130,478,318	145,501,916	(81,114,708)	47,407,906	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 108,340	\$ 130,478,318	\$ 145,501,916	\$ (81,114,708)	\$ 47,407,906	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Long-term debt - DIP facility	-	-	-	-	-	-
Deferred income taxes	-	29,290,346	29,290,346	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	29,290,346	29,290,346	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(100)	(100)	-	(75)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(100)	(100)	-	(75)	-	-
<b>Total Liabilities</b>	(100)	29,290,246	29,290,346	(75)	-	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	108,440	101,188,072	116,211,570	(81,114,633)	47,407,906	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 108,340	\$ 130,478,318	\$ 145,501,916	\$ (81,114,708)	\$ 47,407,906	\$ -

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**November 2001**

	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	Reporting Reclasses	COMBINED FILING ENTITIES
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,756,214
Notes and accounts receivable, net	-	-	-	-	-	134,154,829
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	-	31,470,074
Inventories	-	-	-	-	-	97,406,103
Deferred income taxes	-	-	-	-	(935,550)	43,644,556
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	6,197,793
Other current assets	-	-	-	-	-	52,104,325
<b>Total Current Assets</b>	-	-	-	-	(935,550)	421,733,894
Properties and equipment, net	-	-	-	-	-	382,517,416
Goodwill, net	-	-	-	-	-	13,838,695
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	75,971,812
Deferred income taxes	-	-	-	-	(272,045,687)	409,115,010
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	287,228,827
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	391,905,840
Investment in filing and non-filing entities	-	-	(1,298,732,757)	(18,505,086)	-	148,811,994
Other assets	-	-	(2,852,045)	-	-	316,806,735
<b>Total Assets</b>	\$ -	\$ -	\$ (1,301,584,802)	\$ (18,505,086)	\$ (272,981,237)	\$ 2,447,930,222
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Short-term debt	-	-	\$ -	\$ -	\$ -	\$ (68,092)
Accounts payable	-	-	-	-	-	25,920,665
Income taxes payable	-	-	-	-	-	268
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	(0)
Other current liabilities	-	-	-	-	(935,550)	61,717,980
<b>Total Current Liabilities</b>	-	-	-	-	(935,550)	87,570,821
Long-term debt - DIP facility	-	-	-	-	-	30,000,000
Deferred income taxes	-	-	-	-	(272,045,687)	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	(0)
Other liabilities	-	-	-	-	-	25,526,724
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	(272,981,237)	143,097,544
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	523,243,401
Accounts payable	-	-	-	-	-	32,254,520
Income taxes payable	-	-	-	-	-	218,135,264
Asbestos-related liability	-	-	-	-	-	997,722,452
Other liabilities	-	-	-	-	-	556,121,879
<b>Total Liabilities Subject to Compromise</b>	-	-	-	-	-	2,325,477,516
<b>Total Liabilities</b>	-	-	-	-	(272,981,237)	2,468,575,060
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	112
Common Stock	-	-	(86,994,000)	-	-	771,667
Paid in capital	-	-	(1,176,650,763)	-	-	432,964,982
(Accumulated deficit)/Retained earnings	-	-	(37,940,039)	14,960,946	-	(143,807,596)
Treasury stock, at cost	-	-	-	-	-	(136,426,701)
Consolidation of Investments	-	-	-	(40,407)	-	(11,660,774)
Cumulative Translation Adjustments	-	-	-	(33,425,625)	-	(162,486,628)
Deferred compensation trust	-	-	-	-	-	100
<b>Total Shareholders' Equity (Deficit)</b>	-	-	(1,301,584,802)	(18,505,086)	-	(20,644,838)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ -	\$ -	\$ (1,301,584,802)	\$ (18,505,086)	\$ (272,981,237)	\$ 2,447,930,222

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

<b>W. R. Grace &amp; Co. - Conn</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>November 2001</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
<b>Federal</b>				
Withholding	\$ 786,958	\$ 2,986,840	\$ (3,099,102)	\$ 674,696
FICA - Employee	31,289	1,141,295	(1,207,944)	(35,360)
FICA and payroll- Employer	(1,319,052)	923,641	(949,481)	(1,344,893)
Unemployment	-	6,651	(6,651)	-
Other				
<b>Total Federal Taxes</b>	<b>\$ (500,805)</b>	<b>\$ 5,058,427</b>	<b>\$ (5,263,178)</b>	<b>\$ (705,557)</b>
<b>State and Local</b>				
Withholding	\$ 89,887	\$ 1,085,269	\$ (1,111,325)	\$ 63,831
Sales & Use	1,774,350	456,610	(472,791)	1,758,169
Property Taxes	2,485,747	190,150	(565,496)	2,110,401
Other	-			-
<b>Total State and Local</b>	<b>\$ 4,349,984</b>	<b>\$ 1,732,029</b>	<b>\$ (2,149,612)</b>	<b>\$ 3,932,401</b>
<b>Total Taxes</b>	<b>\$ 3,849,179</b>	<b>\$ 6,790,456</b>	<b>\$ (7,412,790)</b>	<b>\$ 3,226,844</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

Chart 5

<b>Remedium Group, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>November 2001</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
<b>Federal</b>				
Withholding	\$ 12,788	\$ 14,401	\$ (28,447)	\$ (1,258)
FICA - Employee	3,135	2,769	(5,904)	-
FICA and payroll- Employer	1,876	2,769	(5,905)	(1,260)
Unemployment	-	-	-	-
Other				
<b>Total Federal Taxes</b>	<b>\$ 17,799</b>	<b>\$ 19,939</b>	<b>\$ (40,256)</b>	<b>\$ (2,518)</b>
<b>State and Local</b>				
Withholding	\$ 363	\$ 609	\$ (1,189)	\$ (217)
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other				
<b>Total State and Local</b>	<b>\$ 363</b>	<b>\$ 609</b>	<b>\$ (1,189)</b>	<b>\$ (217)</b>
<b>Total Taxes</b>	<b>\$ 18,162</b>	<b>\$ 20,548</b>	<b>\$ (41,445)</b>	<b>\$ (2,735)</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

<b>Grace Washington, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>November 2001</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
<b>Federal</b>				
Withholding	\$ (2,288)	\$ 4,747	\$ (4,747)	\$ (2,288)
FICA - Employee	(751)	228	(228)	(751)
FICA and payroll- Employer	(1,250)	228	(228)	(1,250)
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	<b>\$ (4,289)</b>	<b>\$ 5,203</b>	<b>\$ (5,203)</b>	<b>\$ (4,289)</b>
<b>State and Local</b>				
Withholding	\$ 1,425	\$ 871	\$ (871)	\$ 1,425
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ 1,425</b>	<b>\$ 871</b>	<b>\$ (871)</b>	<b>\$ 1,425</b>
<b>Total Taxes</b>	<b>\$ (2,864)</b>	<b>\$ 6,074</b>	<b>\$ (6,074)</b>	<b>\$ (2,864)</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

<b>L B Realty, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>November 2001</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
<b>Federal</b>				
Withholding	\$ (5,964)	\$ -	\$ -	\$ (5,964)
FICA - Employee	(2,542)	-	-	(2,542)
FICA and payroll- Employer	(2,542)	-	-	(2,542)
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	<b>\$ (11,048)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (11,048)</b>
<b>State and Local</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Taxes</b>	<b>\$ (11,048)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (11,048)</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

<b>Darex Puerto Rico, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>November 2001</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
<b>Federal</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	1,038	913	(1,813)	138
FICA and payroll- Employer	7,587	913	(1,247)	7,253
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	<b>\$ 8,625</b>	<b>\$ 1,826</b>	<b>\$ (3,060)</b>	<b>\$ 7,391</b>
<b>State and Local</b>				
Withholding	\$ 1,562	\$ 1,607	\$ (3,201)	\$ (32)
Sales & Use	-	-	-	-
Property Taxes	63,260	6,873	(33)	70,100
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ 64,822</b>	<b>\$ 8,480</b>	<b>\$ (3,234)</b>	<b>\$ 70,068</b>
<b>Total Taxes</b>	<b>\$ 73,447</b>	<b>\$ 10,306</b>	<b>\$ (6,294)</b>	<b>\$ 77,459</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.



Chart 6

**W. R. Grace & Co. - Conn**  
**Accounts Receivable Reconciliation and Aging**  
**MOR-5**  
**November 2001**

**Trade Accounts Receivable Reconciliation**

Trade accounts receivable, beginning of month, gross	\$ 130,055,980
Amounts billed during the period	70,284,156
Amounts collected during the period	(80,920,015)
Other	1,265,655
Trade accounts receivable at the end of month, gross	\$ 120,685,776

**Trade Accounts Receivable Aging**

Current	\$ 81,569,023
1-30 days past due	23,457,819
31-60 days past due	7,257,825
+61 days past due	8,401,108
Trade accounts receivable, gross	120,685,776
Allowance for doubtful accounts	(1,513,590)
Trade accounts receivable, net	\$ 119,172,186

**Notes and Accounts Receivable Reconciliation**

Trade accounts receivable, net	\$ 119,172,186
Customer notes and drafts receivable	30,119
Pending customer credit notes	(365,218)
Advances and deposits	7,922,724
Nontrade receivables, net	4,817,393
Total notes and accounts receivable, net	\$ 131,577,204

Chart 6

**Remedium Group, Inc.**  
**Accounts Receivable Reconciliation and Aging**  
**MOR-5**  
**November 2001**

**Trade Accounts Receivable Reconciliation**

Trade accounts receivable, beginning of month, gross	\$ (21,616)
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ (21,616)

**Trade Accounts Receivable Aging**

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	(21,616)
Trade accounts receivable, gross	(21,616)
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ (21,616)

**Notes and Accounts Receivable Reconciliation**

Trade accounts receivable, net	\$ (21,616)
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	3,270
Nontrade receivables, net	134,794
Total notes and accounts receivable, net	\$ 116,448

Chart 6

**Darex Puerto Rico, Inc.**  
**Accounts Receivable Reconciliation and Aging**  
**MOR-5**  
**November 2001**

**Trade Accounts Receivable Reconciliation**

Trade accounts receivable, beginning of month, gross	\$ 2,580,581
Amounts billed during the period	426,945
Amounts collected during the period	(540,951)
Other	(16,775)
Trade accounts receivable at the end of month, gross	\$ 2,449,800

**Trade Accounts Receivable Aging**

Current	\$ 1,204,382
1-30 days past due	388,520
31-60 days past due	347,349
+61 days past due	509,549
Trade accounts receivable, gross	2,449,800
Allowance for doubtful accounts	(50,443)
Trade accounts receivable, net	\$ 2,399,357

**Notes and Accounts Receivable Reconciliation**

Trade accounts receivable, net	\$ 2,399,357
Customer notes and drafts receivable	-
Pending customer credit notes	(10,617)
Advances and deposits	-
Nontrade receivables, net	508
Total notes and accounts receivable, net	\$ 2,389,248

Chart 6

**Grace Europe, Inc.**  
**Accounts Receivable Reconciliation and Aging**  
**MOR-5**  
**November 2001**

**Trade Accounts Receivable Reconciliation**

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

**Trade Accounts Receivable Aging**

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

**Notes and Accounts Receivable Reconciliation**

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	71,928
Total notes and accounts receivable, net	\$ 71,928